

Optimization and Innovation of the DOE Wireless Program



Transformation
through Partnerships

Trinity Ballroom 3
2:25pm – 3:15pm

Laura J. Hobgood
Support to the OCIO/IM-40, IT Corporate PMO
April 18, 2012

Changing Wireless Environment



Improved Visibility and Management

Objective: Transform Government's Acquisition and Management of Wireless Technology to achieve:

- Reduced acquisition and operational costs
- Improve operational efficiency
- Identification and distribution of best practices—acquisition and ongoing management
- A solid wireless foundation to support our future wireless, mobile government

Value: **Increased savings, improved management, and improved utilization of existing wireless resources**

Vision: *Leadership in **Wireless Services Best Practices***

- ❖ **Vehicle for centralized government-wide cellular devices and services program that meets the majority of the federal government's requirements (RFQ in process)**
 - *Chartered* by Chief Acquisition officer's Council and the Strategic Sourcing Working Group (SSWG) and monitored by Office of Federal Procurement policy (OFPP) with the Office of Management and Budget (OMB).
 - ***Transformational*** – Unified **Acquisition**, Enterprise Wireless **Management** Capability, Center of **Excellence**.
 - *Agency Letter of Intent* (LOI) from Dan Gordon, OFPP to CIO's / Agency LOI

Posted at 06:00 AM ET, 09/19/2011 http://www.washingtonpost.com/blogs/federal-eye/post/white-house-hopes-to-cut-costs-by-buying-in-bulk/2011/09/17/gIAPXy5ok_blog.html

White House hopes to cut costs by buying in bulk

By Ed O'Keefe



President Obama's next BlackBerry may be purchased as part of new "blanket purchase agreements" signed by his administration. (Charles Dharapak - AP) The White House, eager to demonstrate it's serious about curtailing federal spending, is adopting a tactic frequently used by penny-pinching shoppers: It's planning to buy in bulk.

Starting this week, several federal agencies and departments will start pooling their purchases of office printers, copiers and scanners in hopes of collectively saving \$600 million in the next four years, administration officials said late Friday.

The move, known as "strategic sourcing" in government contracting circles, is also forcing agencies to take a serious inventory of some popular office supplies.

"One of the things we've discovered is that agencies don't have a clue what they have," said Dan Gordon, the Obama administration's top federal contracting official. "They don't realize how many cellphones and BlackBerrys they have."

Worse, some agencies and military branches have hundreds of separate wireless phone contracts for different sets of employees, and in one case, a smaller agency Gordon declined to identify discovered it had almost one printer for every employee.

Under the deal struck late Friday, the departments of [Commerce](#), [Defense](#), [Homeland Security](#), [Justice](#), [Treasury](#) and the [Social Security Administration](#) are among those set to start buying printers, copiers and scanners from 11 firms, including [Canon](#), [Lexmark](#), [Xerox](#), [Ricoh](#) and several smaller, veteran- or minority-owned suppliers.

A similar agreement signed last year for office supplies is helping 80 agencies and military offices save about \$200 million over the next four years, according to OMB Deputy Director Jeffrey Zients.

Next, the government plans to rein in spending on wireless service contracts that cost taxpayers more than \$1.2 billion annually. Zients suggested that renegotiated deals, or a department's merging of several plans, could yield at least \$170 million in annual savings.

Collectively, the government's myriad agencies, bureaus, departments and offices spend more than \$500 billion on government contracting annually, according to the [Office of Management and Budget](#). Government contracting more than doubled during George W. Bush's presidency, in part because of the wider use of multimillion-dollar no-bid deals.

Early in his tenure, President Obama sought to reverse the trend by [ordering agencies to cut at least \\$40 billion](#) as part of a spending overhaul. Several agencies have since severed multimillion-dollar deals riddled with cost overruns and lax oversight. Overall, OMB said [government contracting costs dropped \\$15 billion](#) between fiscal 2009 and 2010, the first year-to-year reductions since 1997.

Follow Ed O'Keefe on Twitter: [@edatpost](#)

Executive Order -- Promoting Efficient Spending

EXECUTIVE ORDER

PROMOTING EFFICIENT SPENDING

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to further promote efficient spending in the Federal Government, it is hereby ordered as follows:

Sec. 4. Employee Information Technology Devices. Agencies should assess current device inventories and usage, and establish controls, to ensure that they are not paying for unused or underutilized information technology (IT) equipment, installed software, or services. Each agency should take steps to limit the number of IT devices (e.g., mobile phones, smartphones, desktop and laptop computers, and tablet personal computers) issued to employees, consistent with the Telework Enhancement Act of 2010 (Public Law 111 292), operational requirements (including continuity of operations), and initiatives designed to create efficiency through the effective implementation of technology. To promote further efficiencies in IT, agencies should consider the implementation of appropriate agency-wide IT solutions that consolidate activities such as desktop services, email, and collaboration tools.

Current State: Federal Government Wireless Services

- ❖ Total purchases **exceeds \$1.2 billion annually** (plans, devices, etc)
- ❖ Wireless buys are characterized by:
 - Individual agency/sub-agency acquisitions (**individual contracts, BPA's**)
 - Some use of Federal Supply Schedule (\$337 million in 2010)
 - **Small volume** purchases with **average discounts** less than commercial peers;
- ❖ Discounts vary significantly across government (**Prices vary up to 200%**)
- ❖ **Thousands of contracts and agreements** with the leading carriers; more with regional and niche carriers
- ❖ **Plan and device selection policy varies widely**

❖ **DOE (IM-40) is one of the core agency participants in GSA Federal Strategic Sourcing Initiative Wireless Working Group**

- Inter-agency SOW and FSSI Wireless Program Development (GSA, OMB, DHS, etc.)
- Transition and Portal Sub-committees (and partially in security subcommittee)
- RFQ response evaluations and ongoing program implementation support

❖ **Current Status and Organizational Interest**

- Max-site Data Call
 - HQ and Five Locations Responded During Collection Period
 - 4.6 Million Annual Spend (based on 20% of enterprise)
 - 80% + Opportunity for Savings
- DOE Labs Have Aggressive Wireless Plans
- Field shows strong interest in Program

Wireless Federal Strategic Sourcing Initiative (FSSI)

Objective: Transform Government's Acquisition and Management of Wireless Technology to achieve:

- Reduced acquisition and operational costs
- Improve operational efficiency
- Identification and distribution of best practices—acquisition and ongoing management
- A solid wireless foundation to support our future wireless, mobile government

Value: Increased savings, improved management, and improved utilization of existing wireless resources

Vision: *Leadership in Wireless Services Best Practices*

Program Structure & Acquisition Flow Chart

Wireless Services, Devices Acquisition

- Service Plans
 - Voice, Data, Text
 - Domestic, International
- Devices
- Device Security Support
- Wireless Network Connectivity
- Operational support
- Interface to Portal Provider

**Interface
requirements
to Portal or
TEMS**

TEMS, Follow-On

Portal Services

- Secure C&A'd interface to all program carriers at FISMA Moderate Impact Rating
- Ordering
- Inventory
- Reporting
- Account Management
- Unified Billing
- Alerts, Notifications

Core Services

Contract Administration
Inventory Management
Invoice Management and Audit
Rate Plan Optimization
Management Reporting

Optional Services

Contract Optimization
Ordering and Procurement
Bill Payment
Dispute Recovery
Device Disposition and Disposal

- Wireless FSSI provides a government-wide program for obtaining wireless services, devices
- Wireless FSSI defines the requirements for interfacing with a unified management portal
- TEMS FSSI provides multiple options, architectures for managing wireless on an enterprise basis
- TEMS FSSI ensures appropriate inventory and expense management to enable best practices of wireless enterprise

❖ Service Plans and Devices

- Cellular **plans that address current and future** voice, voice/data, and data only service plans
- **Wide variety of devices**: cell phones, smart phones, data Only devices, tablets, pagers, others
- **Infrastructure, sub-systems, and complementary services**: messaging services/server (BB server), encryption services, device recycling/disposition reporting, M2M, other

❖ Management Information: business portal interface, performance management plan, program management

❖ Centers of Excellence: Shared resources for addressing common wireless technology management processes and concerns across federal government

Wireless FSSI Government-wide Savings

Anticipated Impact at One Agency Represents Potential Benefits for All of Government

\$X ACPU across agency



Y % savings from acquisition



Z % savings from
improved management,
improved plan selection



Lower ACPU

Starting Point

The current average cost per unit across the agency subscriber base averages \$X per month. This value varies based on level of centralized acquisition, location, and mission.

Impact from Leveraging Competition, Volume

The Devices & Services FSSI is looking to achieve targeted discounts for devices and services based on aggregated volume across all Federal Agencies.

Impact from Improved Management

TEMS providers have historically provided additional per line savings beyond those from acquisition. Sources include zero usage account identification, improved plan selection, and overage reduction/elimination.

Targeted Price Points

The FSSI Wireless Program has targeted savings goals and management metrics to help the federal government improve its management of wireless technology.

Program Manager Lead:

Dave Peters

david.peters@gsa.gov

703-306-6403

Contract Officer Lead:

Patti Stang

patricia.stang@gsa.gov

703-306-6404

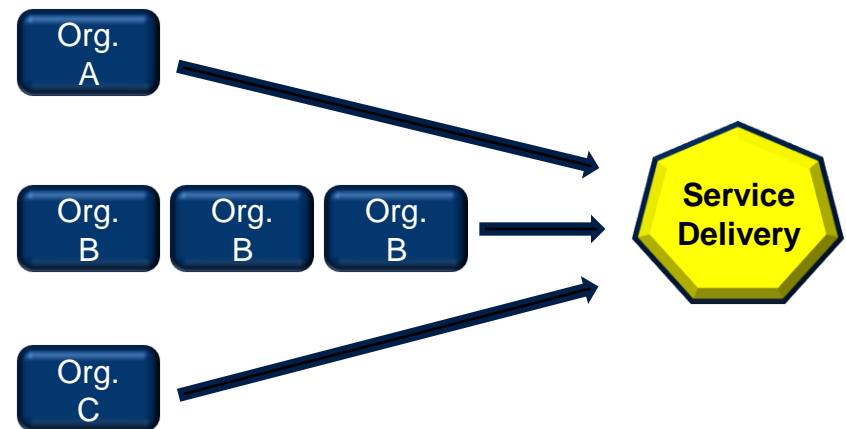
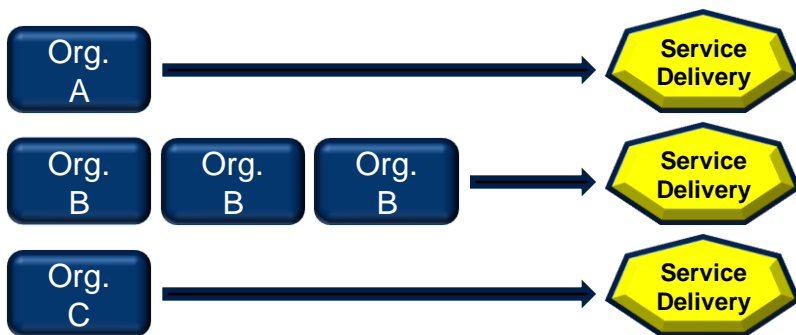
- ❖ Evaluate RFQ responses
- ❖ Evaluate Portal RFI responses
- ❖ Complete Wireless User Guide and other web documentation
- ❖ Complete wireless policy/checklist
- ❖ Portal modification to existing TEMS agreement
- ❖ Initial task order development
- ❖ BPA Award(s) and initial task order release
- ❖ Initial transition/implementation support

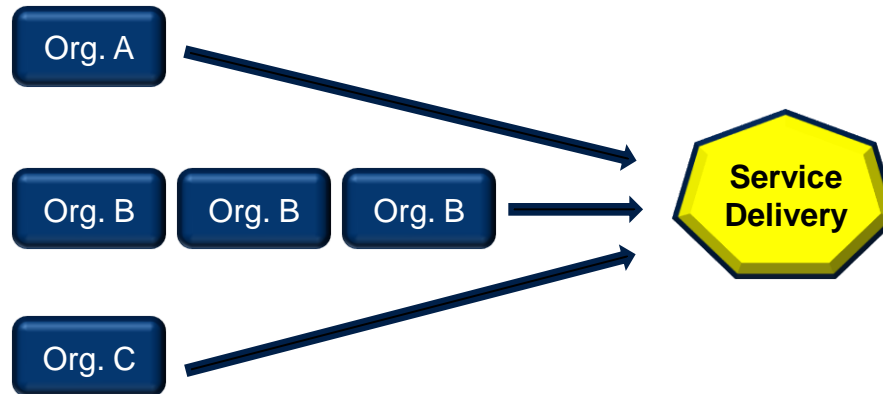
❖ Business Case Objectives and Benefits

- **Greater visibility across the enterprise** and into the respective organizations
- **Improved** wireless/mobility **management**/performance/cost **efficiencies**
- **Support** internal/external mobility **initiatives** and use of **latest mobile technologies**
- **Uniform Service Catalog** Item (device, service, organization driven)
- **Agility** to Service (automated order Process)
- Internal **Support** at the **Organization** level
- **Resource requirements reduced**

❖ Business Case Objectives and Benefits (continued)

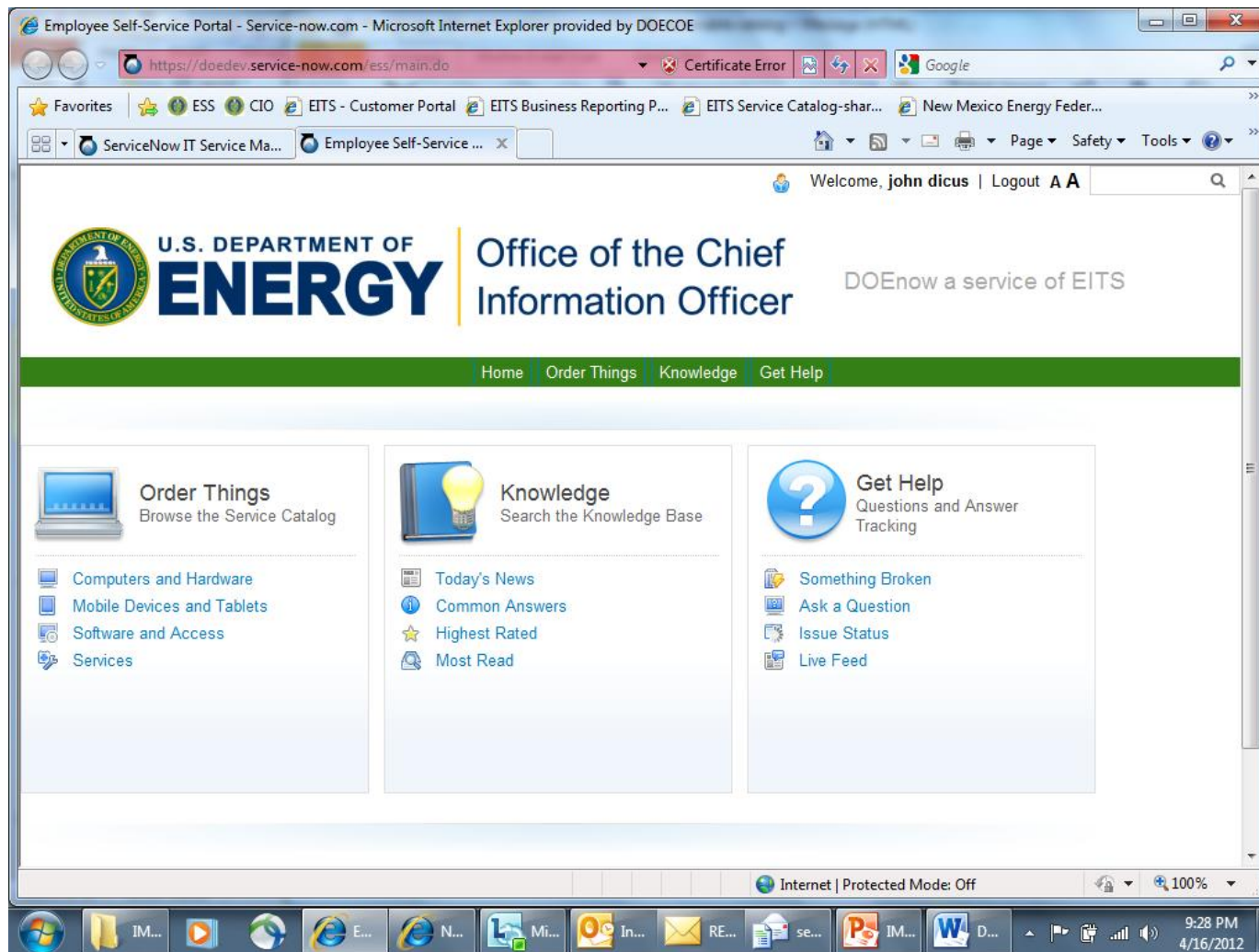
- Integration of platforms replaces the current model
 - What is cost now and who is supported.
 - Leverage buying power
- Analysis of current environment
 - Get costs, scalability, customer applications, number of models, rationalization, risks





❖ Centralized Visibility Organizational Management Capability

- Agency - Program – Organizational
 - Agency and Program Level(s) reporting
 - Visibility into the enterprise
- Analysis of Environment
 - Get costs, scalability, customer applications, number of models, rationalization, risks
 - Ability to make informed business decisions



❖ Phased Implementation Approach – Revisit Enterprise-wide Strategy Document

- *Develop strategic project plan* for migration that includes analysis and mapping of current accounts.
- *Phase 1* – Migrate existing accounts to the new FSSI Wireless contract vehicle; using existing integrator or latest available.
- Key is ability to report transition progress.
- *Phase 2* – Roll all accounts into enhanced portal platform (ex: EBR, Service Now, etc.)
- *Phase 3* – Promote use of new vehicle/portal across the DOE enterprise.

❖ DOE Enterprise-wide engagement

- Supports **Enterprise Wireless Program and Expense Management**
- Integrated Project Team (Enterprise outreach and awareness)
- Implementation Strategy and Project Planning
 - **Transition priority scheduling:** Begin with low hanging fruit (services ready to transition)



Laura J. Hobgood
EES, LLC
OCIO/IM-40
IT Corporate Project Management Office
Laura.hobgood@hq.doe.gov
301-903-8651

Program Review

- ❖ Wireless Program Objectives and Overview
- ❖ Program Components
- ❖ Current and Targeted End State
- ❖ Acquisition Strategy
- ❖ Current Status and Next Steps

Service/Devices

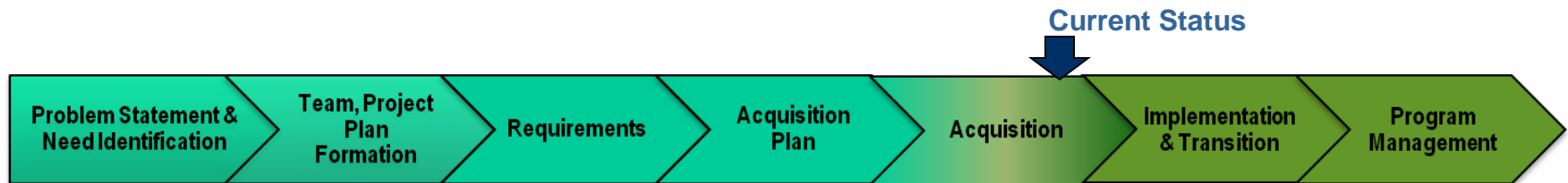
- ❖ Strategy: BPA on Schedule 70
 - Existing programs, processes, tools meet Wireless FSSI program requirements and therefore a new, standalone contract could not be justified
 - Commitment from Schedule 70 team to meet device enrollment requirements via e-mod process
- ❖ Awards: One or more

Portal/Wireless Information

- ❖ Strategy: Modification to existing TEMS agreements
- ❖ Awards: TBD
- ❖ Status: RFI completed and mod-development in progress

Attribute	Status
Purchasing	Ease of use/ordering, Best Price Guarantees, task order support
Inventory	Increased access to enterprise-wide inventory
Policy	High level government-wide policy regarding common elements that agencies may augment with unique business requirements (refresh period, device and plan selection)
Control	Increased management information will enable greater control. Agencies will embrace program to enable control and compliance
Costs	Increased competition through a single contract vehicle, programmatic approach
Contract	Unified acquisition enables immediate savings through leveraged spend; standard terms and conditions
Security	Stronger opportunity for agencies to demonstrate compliance, COE support
Expense Mgmt	Increased management information enables basic expense management and increased ability to adopt TEMS
Portal / TEMS	Primary management information tool or TEMS provider will enable increased information with fewer resources, complete enterprise management, and purchasing

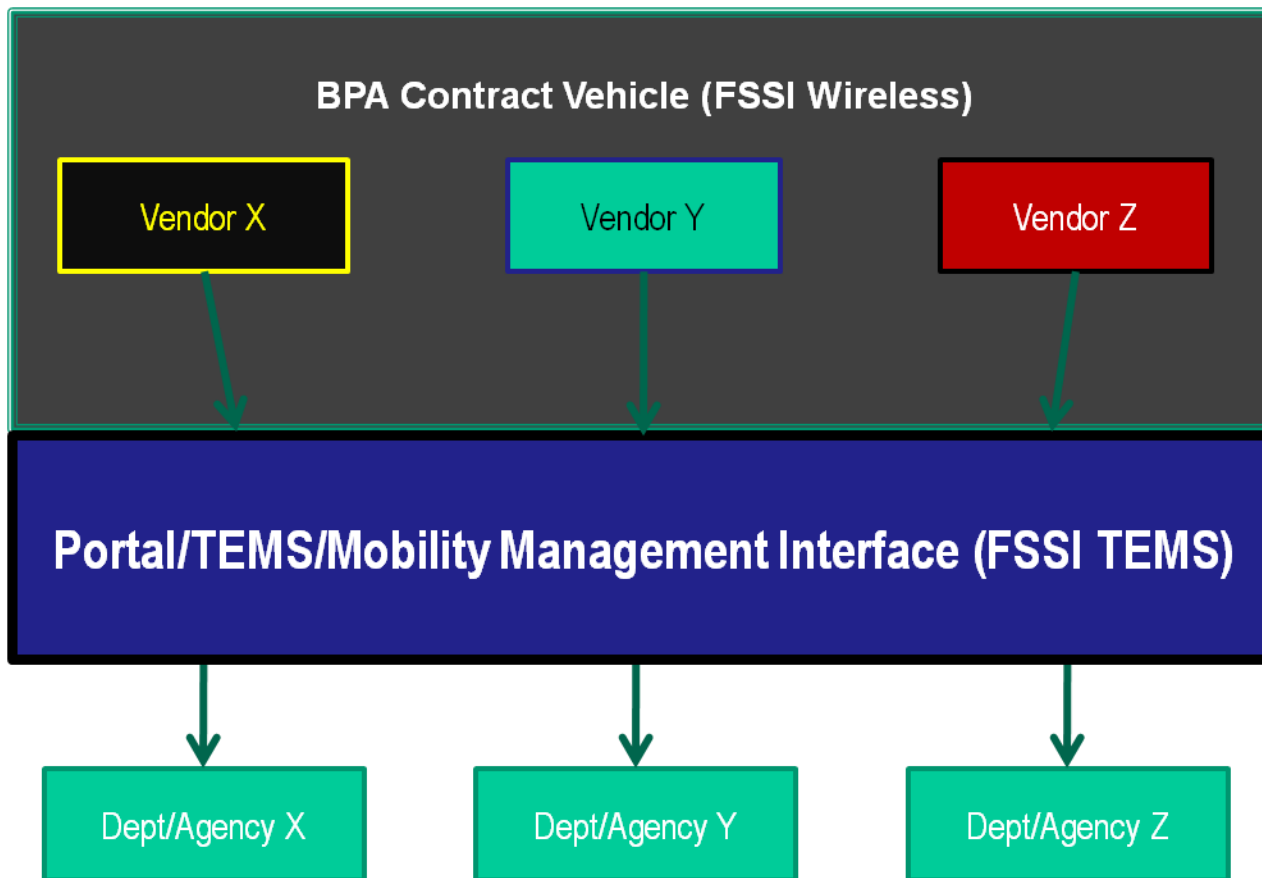
Wireless Program Accomplishments & Status



- ❖ Acquisition is Active and In-Progress
- ❖ Cross-government team of core members and strong contributors engaged; Subcommittees chartered and Productive
- ❖ Program metrics identified:
 - Financial: Savings, ACPU (monthly average cost per unit), Cost per MB equivalent
 - Operational MB¹-equivalent growth support, Adoption rate
- ❖ Program Implementation Plan is in Development

¹ Megabytes of data transmitted to data capable device. MB equivalent converts voice minutes to MB and sums with data MB

GSA FSSI - How The Wireless Program Works



The Wireless FSSI will include wireless services and devices based on **government-wide volumes** and a **centralized approach**. The BPA will also include **business portal interface** requirements to **enable enterprise management**.

Agencies will leverage a portal or TEMS service to establish a single interface for management of wireless enterprise

Agencies leverage program to obtain services and approved devices

Back Up slides